

WASHINGTON POST
15 February 1987A1. - **Gates Likely to Be Grilled on Iran***Nominee for CIA's Top Job to Face Queries on Role of Agency, Casey*By Walter Pincus
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The confirmation hearings that open Tuesday for CIA Deputy Director Robert M. Gates, nominated to succeed his former boss, William J. Casey, as CIA director, will mark the beginning of what promises to be a yearlong congressional inquiry into the Iran-contra affair.

The 43-year-old Gates, a Casey favorite, is expected to be sharply questioned by members of the Senate Select Committee on Intelligence not just about his role in the worst scandal of the Reagan administration but about his knowledge of the activities of Casey and the agency in the sale of U.S. arms to Iran and support given the Nicaraguan contras.

Gates' past testimony on his participation in Iran-contra meetings he attended has been vague and protective of Casey and the agency, according to informed sources. The intelligence committee has been pressed to release Gates' previous testimony and may do so Tuesday, according to Senate sources.

"It's one of those damned-if-he-does, damned-if-he-doesn't situations that Congress loves to play with," one Senate aide said. "If Gates claims he didn't know what was going on and he was Casey's deputy, he's a wimp. If he knew everything and didn't stop it, how can he be considered seriously to run the agency?"

Gates also will have to try to explain the agency's activities on behalf of the contras at a time when Congress had barred any direct or indirect military assistance. On this issue, Gates is attempting to get ahead of the Central Intelligence Agency's Capitol Hill critics with an internal investigation.

One congressional source said Gates eventually may discipline two or three agency operatives who ignored the law, but added it is unclear how high up the chain of command he would go.

Against this background, some senators have questioned how they can confirm someone who remains

a party to ongoing investigations, while others look on President Reagan's selection of Gates as the best the embattled administration could do under the circumstances.

Senators in this second category say they expect the nomination to go through, but only after drawn-out hearings that could lead into unanticipated areas.

Several senators, including committee Chairman David L. Boren (D-Okla.), have indicated that they are inclined to vote to confirm Gates and to do so after brief hearings.

But Boren has acknowledged the potential embarrassment to his panel if it approves the nomination and Gates is later implicated by other investigations in controversial aspects of the Iran-contra affair. Boren has said he plans to question Gates closely on his involvement.

As an individual, Gates draws mixed reviews. He has had a spectacular rise in the agency. That rise began in 1974, when, as a bright, GS13 analyst, he went to the White House as an aide on the National Security Council.

Nine years later he returned to CIA headquarters as a member of the secretariat working primarily for the deputy director, Adm. Bobby Inman.

Gates was one of the few top aides held over by Casey and quickly became a favorite of the new director "because he was a hard worker and smart as hell," one colleague at that time said.

Casey jumped Gates ahead of dozens of other CIA veterans in January 1982 and made him deputy director for intelligence, essentially chief of the analytical side of the agency. He also made him head of the national intelligence council, the first time one person held both positions.

"He reached his peak there," said one outside agency consultant who is impressed with Gates' analyses of intelligence data. "That's where he should be."

Four months ago, however, when veteran Deputy Director John A. McMahon resigned, Casey gave

Gates that job because, as the colleague said, "he wanted a careerist who would do what he was supposed to do, carry out decisions and not substitute his own views."

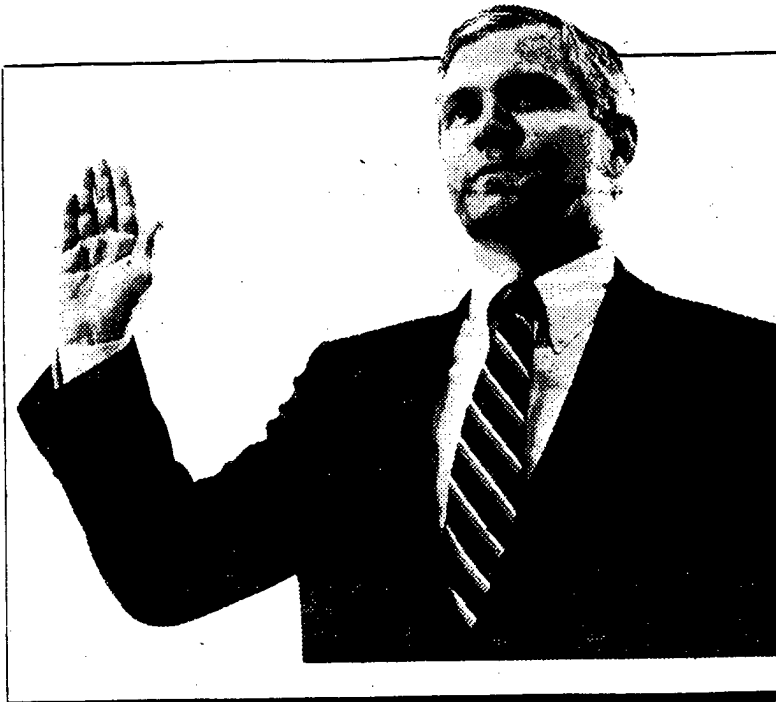
The outside consultant said last week that Gates recently made a speech dealing with the president's Strategic Defense Initiative in California and slanted data to enlarge Soviet programs in a way he never had done a year earlier when he was running the agency's analytic side.

One Democratic member who has been deeply involved in congressional oversight of the agency over the past five years was critical when asked about the Gates nomination: "Gates vigorously supported any position his superiors took," he said, and "is a classic bureaucrat—smooth, sensitive to members of Congress but without much conviction or commitment to ideas."

He and several former top CIA officials predicted that, if confirmed, Gates will be an interim figure, trying to keep the agency out of covert actions that cause trouble on Capitol Hill but essentially staying under the thumb of national security adviser Frank Carlucci—himself a former CIA deputy director, who also has easy access to the president.

Gates has told friends that he had hoped Reagan would appoint someone else as Casey's successor so he could have two years to solidify his position as No. 2 at the agency and then be prepared to move into the top job when a new president takes office in 1989.

He now has to change his plans and is actively wooing support from both Democrats and Republicans on Capitol Hill. In recent meetings with congressional groups, he has stressed the need for better control over covert operations. At one point he suggested he might turn to Lt. Gen. William E. Odom, the head of the National Security Agency, to be his deputy director. Odom, who served with Gates at the NSC in the



Robert M. Gates, shown here taking oath at confirmation hearings to become deputy director of the CIA last year, is said to have become a Casey favorite "because he was a hard worker and smart as hell."

Carter administration, is a favorite of conservatives. Odom was actively involved in the Reagan administration's efforts last year to persuade the news media not to print certain kinds of intelligence secrets by threatening legal prosecution for doing so.

Many members of Congress want to use the Gates hearing to close a wound that was ripped open by the Iran-contra affair. They will demand that Congress' intelligence committees, or at least a handful of leaders in special circumstances, be informed of all covert operations undertaken by the agency.

Senate intelligence committee members say they believed that a letter signed by Casey in 1984 guaranteed that they or their leaders would be told of any secret activities. This stipulation was circumvented in the Iran arms operation by a new device, Reagan's secret order to Casey that he keep Congress in the dark.

Gates may be asked to give a formal pledge that he will keep the Congress informed of secret activities and resign if the president requires him to keep anything secret.

Gates will also be asked about

Casey. On Dec. 4, in closed testimony before the Senate panel, Gates was asked about actions taken by his boss as well as the agency's role as described earlier by Casey, a committee source said last week.

Although Gates told the committee that Casey knew only "bits and pieces" about the possible diversion of Iran arms sales funds to aid the contras, the Senate panel's report released last month disclosed that quite a lot was known by the time of Casey's Nov. 21 appearance.

The Washington Post also disclosed last week that Casey's original testimony, drawn up under his general supervision, contained misstatements of facts.

The Senate panel was told that as early as Oct. 1, 1986, a senior CIA intelligence analyst, Charles Allen, told Gates that money generated by the Iran arms sales may have been allocated to the contras. He knew, according to the Senate report, that the Iranian contact was concerned about funding problems with the Iran sales and that the key Americans involved in the project, Marine Lt. Col. Oliver L. North of the NSC staff and retired major general Richard V. Secord, were both involved with the operation.

report, told the Senate committee that Gates was "surprised and disturbed" by what the analyst said and told him to see Casey.

Gates and Allen did not discuss the potential illegality of the action, and Gates told the committee Allen viewed the possible diversion "as a serious threat to the operational security of the Iran project."

On Oct. 5, when the cargo plane carrying Eugene Hasenfus and two other Americans was shot down over Nicaragua, concern arose in Washington about how military aid to the contras was being handled.

On Oct. 7, Gates, Allen and Casey met, and Gates reported Allen's concerns about a contra diversion. Casey was described in the Senate report as "startled" and asked that the material be put in writing.

Two days later, after being told of Allen's concerns, Casey and Gates met for lunch with North, who had just returned from a meeting in Germany with the new Iranian contact.

During lunch, according to Gates' testimony to the committee, "North made a very cryptic reference to a Swiss account and money for the contras."

Gates said neither he nor Casey pursued the question, asking only whether there was any direct or indirect CIA involvement with funding of the contras. On being reassured that the CIA was "completely clean," Gates later noted for the record that North had "confirmed" that the agency was separate "from contact with those organizing the funding and operation."

Gates told the committee that after the lunch he and Casey remarked that "they did not understand North's comments."

On Oct. 15, Gates and Casey gave then-national security adviser John M. Poindexter Allen's memo on the possible diversion of funds. According to the Senate report, the memo focused on the danger that the Iran episode could be exposed.

In delivering the memo, Gates testified, they told Poindexter to think seriously about making the operation public "to avoid having it leak out in dribs and drabs."

Gates also ordered the CIA general counsel to look into the matter, and the CIA inspector general told the committee that "fairly significant" evidence had been accumulated within the agency "by early November."

On Nov. 14, the CIA inspector general testified, Gates and Casey saw Poindexter again about the